

SF

March 31

CONFIDENTIAL

Executive Registry
0-2745

Deputy Executive

5 January 1949

Chief, ICAPS

## Financial Support for NIS Program, Fiscal Year 1949

- Reference: (a) Project Action Form ORE-10-49, "Financial Support for NIS Program, Fiscal Year 1949"  
 (b) Last page of your memo to the Director, dated 5 August 1948, on the same subject

25X1A9a

1. I have discussed with [redacted] paragraph 4e of your memorandum dated 5 August 1948 to the Director on this subject and with him have arrived at the following recommendations:

a. The NIS Program was somewhat late in getting started this Fiscal Year and there has been some difficulty on the part of the principal beneficiary in getting competent personnel with security clearance. However, the Program is now going along well, so we think it is best to let sleeping dogs lie rather than to raise the questions of adequacy or inadequacy of funds at this time.

b. There is an unobligated balance of \$19,000.00 from the \$500,000.00 total which can be used as a cushion if necessary during the balance of the Fiscal Year, but to date there has been no indication from the IAC agencies or the non-IAC agencies that this is necessary and there apparently have been no great objections to our more recent refusal of funds for meteorological work, etc.

c. If for budget or bookkeeping purposes it is essential that a more detailed progress report be submitted, we recommend that this be done on March 31 instead of at this time, when a better balance may be struck showing surplus or inadequate funds in this \$500,000.00 allotment.

d. We feel certain that the agencies receiving funds from us will use all that they get. If CIA has surplus funds to be used for this Program the other agencies would undoubtedly be glad to get them, but we feel that it is neither necessary nor desirable to raise such a point at this time.

25X1A9a

12 JAN 1949

cc: AD/ORE  
 Budget Officer  
 Chairman, Projects Review Committee ✓

[redacted]  
 Palmer  
 R. H. HILLENKOETTER  
 REAR ADM'Y  
 DIRECTOR OF CENTRAL INTELLIGENCE

3/31/49 - No further action.

CONFIDENTIAL